





PHILHEALTH CIRCULAR No. 2015 - 039

#### TO : ALL BUSINESS ESTABLISHMENTS/COMPANIES SECURING OR RENEWING BUSINESS LICENSE OR PERMIT, BUSINESS LICENSING OFFICES (BPLOs), CHIEF EXECUTIVES OF LOCAL GOVERNMENT UNITS, AND ALL OTHERS CONCERNED

### SUBJECT : Compliance to PhilHealth Remittance and Reporting Requirements Prior to Issuance/Renewal of Business License or Mayor's Permit

## I. POLICY STATEMENT

Section 56 of Republic Act 7875, as amended, otherwise known as the National Health Insurance Act of 2013, provides that:

"Requisites for Issuance or Renewal of License or Permits. – Notwithstanding any law to the contrary, all government agencies issuing professional or business license or permit, shall require all applicants to submit certificate or proof of payment of PhilHealth premium contributions, prior to the issuance or renewal of such license or permit."

To help fulfil the above-mentioned mandate and to level-up the rank of the Philippines in the Ease of Doing Business" survey, Joint DILG-PhilHealth-SSS-DTI Memorandum Circular No. 01, s.2014 (JMC) was issued on May 9, 2014 providing for new procedures in securing clearances from the Social Security System and the Philippine Health Insurance Corporation for purposes of renewing business permits, to wit:

"In lieu of the requirement on the submission of an SSS clearance and proof of payment of PhilHealth premium contributions prior to the issuance of a Mayor's Permit, the SSS and PhilHealth shall provide all cities and municipalities with a soft (electronic form) and hard copies of the annual list of delinquent employers, owners or operators of business establishments registered with or accredited by said agencies, not later than the end of November. Such list shall serve as reference in determining factor for the Local Government Unit (LGU) whether to approve or deny an application for business permit or temporary permit to operate."

# MASTER DOCUMENT DOCUMENT

# COVERAGE

This Circular shall apply to all business establishments that employ personnel to run their business and who are required by law or ordinance to secure business license or Mayor's Permit prior to engaging in business, and likewise to all Local Government Units issuing such business license or permit.

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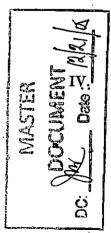
# **III.** IMPLEMENTING GUIDELINES

 Pursuant to the above-mentioned JMC, instead of issuing individual PhilHealth clearances in favor of compliant employers or those dutifully remitting and reporting their premium contributions, PhilHealth will submit a list of delinquent employers to concerned Business Permits and Licensing Office of the LGU (BPLO-LGU) not later than the end of November of each year, which will be used as basis in determining whether or not to issue a business license or Mayor's permit.

Thus, non-delinquent employers are not anymore required to visit PhilHealth to secure "certification of good payment standing" for the purpose of renewing their business license. However, delinquent employers that were notified of their delinquencies must immediately settle their obligations with PhilHealth to avoid unnecessary inconvenience during the renewal of their business permit.

In accordance with rules and regulations of PhilHealth and for purposes of the said JMC, **delinquent employer** shall refer to any employer who missed or refused to pay the monthly premium contributions of its employees, and/or failed or refused to submit the corresponding monthly remittance reports.

- 2) Every October until the end of November of the current year or 30 days prior to the start of the business license application/renewal period, delinquent employers shall be notified and properly advised by PhilHealth to coordinate with their respective PhilHealth Accounts Management Specialist (PAIMS) and/or Collection Section (ColSec) Head of their respective Regional/Branch Office for the speedy settlement of their delinquencies.
- 3) Those who will fully settle not later than November 20 of the current year will be excluded from the list of delinquents that will be submitted to the BPLO-LGU not later than end of November. On the other hand, those who failed to immediately settle their obligation prior to the said date will not be issued their regular business permit or will only be given a Temporary Permit which will be valid for three (3) months only from date of issuance as provided for in the JMC.
- 4) Those who will fully settle their obligations within three (3) months from the time of nonissuance of business permit or issuance of temporary permit shall be issued the appropriate certification of their compliance to payment and remittance reporting requirements of PhilHealth. The said certification shall be presented by the employer to the concerned BPLO for the issuance either of regular business permit or conversion of the temporary business permit to a regular permit.
- 5) Delinquent employers which have approved settlement plans of more than three (3) months (which may exceed the 3-month temporary permit granted by the LGU) shall be issued the corresponding certification of approved settlement proposal which they can present to the BPLO to extend their temporary business license permit or convert to regular permit.



# ATTACHMENT

- Yearly Timelines
- Joint DILG-PhilHealth-SSS-DTI Memorandum Circular No. 01, s.2014 (Download at http://www.philhealth.gov.ph/joint\_issuances/2014/jmc\_01\_2014.pdf)

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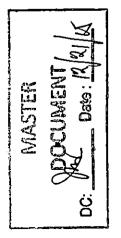
### V. REPEALING CLAUSE

All other issuances inconsistent herewith are deemed repealed, amended or modified accordingly.

#### VI. EFFECTIVITY CLAUSE

This Circular shall take effect fifteen (15) days after publication in any newspaper of general circulation and shall be deposited thereafter at the Office of National Administrative Register of the LIP Law Center

of the UP Law Center. LA igned:





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Joint DILG-PhilHealth-SSS-DTI Memorandum Circular No. 01, s.2014

# Yearly Timelines

(Sample provided for CY2015-2016)

